

IN THE UNITED STATES DISTRICT COURT FOR
THE MIDDLE DISTRICT OF TENNESSEE,
NASHVILLE DIVISION

JUDGMENT IN A CIVIL CASE

DOUG LITTLEFIELD,)	
ROBERT MOLLEUR, and .)	
RODNEY BARRUP)	
)	
VS.)	CASE #: 2:06-0061
)	JUDGE ROBERT L. ECHOLS
CARL BENSON TILLEY,)	
KATHERINE TILLEY,)	
TILLEY FOUNDATION, INC., and)	
CT TECHNOLOGY, INC.)	

✓ Jury Verdict. This action came before the Court for a trial by jury. The issues have been tried and the jury has rendered its verdict.

✓ Decision by Court. This action came to trial or hearing before the Court. The issues have been tried or heard and a decision has been rendered.

IT IS ORDERED AND ADJUDGED that the jury found as follows:

PLAINTIFF DOUG LITTLEFIELD'S CLAIMS AGAINST DEFENDANTS:

- Plaintiff Littlefield proved by a preponderance of the evidence that he is entitled to recover against Defendant Carl Benson Tilley on the claims of fraud and deceit based on intentional misrepresentation, breach of fiduciary duty, the Tennessee Consumer Protection Act, and the Tennessee Securities Act.
- Plaintiff Littlefield proved by a preponderance of the evidence that he is entitled to recover against Defendant Katherine Tilley on the claims of fraud and deceit based on intentional misrepresentation, the Tennessee Consumer Protection Act, and the Tennessee Securities Act.
- Plaintiff Littlefield proved by a preponderance of the evidence that Defendants Carl Benson Tilley and Katherine Tilley willfully and knowingly violated the Tennessee Consumer Protection Act.

- Plaintiff Littlefield is entitled to recover from Defendants Carl Benson Tilley, Katherine Tilley, The Tilley Foundation, Inc., and CT Technology, Inc.,¹ jointly and severally, compensatory damages in the amount of \$1,607,500.00, plus pre-judgment interest from February 14, 2004. The portion of the compensatory damages award attributable to said Defendants' violation of the Tennessee Consumer Protection Act is \$107,500.00.
- Plaintiff Littlefield proved by clear and convincing evidence that he is entitled to recover punitive damages against Defendants Carl Benson Tilley, Katherine Tilley, The Tilley Foundation, Inc., and CT Technology, Inc., on Plaintiff's claims for fraud and deceit based on intentional misrepresentation, conversion, and/or breach of fiduciary duty. As such, the jury awarded punitive damages in the amount of \$10,000,000.00 in favor of Plaintiff Littlefield against said Defendants, jointly and severally.

PLAINTIFF ROBERT MOLLEUR'S CLAIMS AGAINST DEFENDANTS:

- Plaintiff Molleur proved by a preponderance of the evidence that he is entitled to recover against Defendant Carl Benson Tilley on the claims of fraud and deceit based on intentional misrepresentation, breach of fiduciary duty, conversion, the Tennessee Consumer Protection Act, and the Tennessee Securities Act.
- Plaintiff Molleur proved by a preponderance of the evidence that he is entitled to recover against Defendant Katherine Tilley on the claims of fraud and deceit based on intentional misrepresentation, conversion, the Tennessee Consumer Protection Act, and the Tennessee Securities Act.
- Plaintiff Molleur proved by a preponderance of the evidence that Defendants Carl Benson Tilley and Katherine Tilley willfully and knowingly violated the Tennessee Consumer Protection Act.
- Plaintiff Molleur is entitled to recover from Defendants Carl Benson Tilley, Katherine Tilley, The Tilley Foundation, Inc., and CT Technology, Inc., jointly and severally, compensatory damages in the amount of \$1,622,500.00, plus pre-judgment interest from February 14, 2004. The portion of the compensatory damages award attributable to said Defendants' violation of the Tennessee Consumer Protection Act is \$122,500.00.
- Plaintiff Molleur proved by clear and convincing evidence that he is entitled to recover punitive damages against Defendants Carl Benson Tilley, Katherine Tilley, The Tilley Foundation, Inc., and CT Technology, Inc., on Plaintiff's claims for fraud and deceit based on intentional misrepresentation, conversion, and/or breach of fiduciary duty. As such, the jury awarded punitive damages in the amount of \$7,000,000.00 in favor of Plaintiff Molleur against said Defendants, jointly and severally.

¹Defendants Tilley Foundation, Inc., and CT Technology, Inc. were found to be in default by orders entered August 27, 2007 (Docket Entry No. 67) and October 23, 2007 (Docket Entry No. 87) and the issue of damages and other relief were reserved until trial.

PLAINTIFF RODNEY BARRUP'S CLAIMS AGAINST DEFENDANTS:

- Plaintiff Barrup proved by a preponderance of the evidence that he is entitled to recover against Defendant Carl Benson Tilley on the claims of fraud and deceit based on intentional misrepresentation, conversion, the Tennessee Consumer Protection Act, and the Tennessee Securities Act.
- Plaintiff Barrup proved by a preponderance of the evidence that he is entitled to recover against Defendant Katherine Tilley on the claims of fraud and deceit based on intentional misrepresentation, conversion, the Tennessee Consumer Protection Act, and the Tennessee Securities Act.
- Plaintiff Barrup proved by a preponderance of the evidence that Defendants Carl Benson Tilley and Katherine Tilley willfully and knowingly violated the Tennessee Consumer Protection Act.
- Plaintiff Barrup is entitled to recover from Defendants Carl Benson Tilley, Katherine Tilley, The Tilley Foundation, Inc., and CT Technology, Inc., jointly and severally, compensatory damages in the amount of \$52,500.00, plus pre-judgment interest from September 28, 2005. The portion of the compensatory damages award attributable to said Defendants' violation of the Tennessee Consumer Protection Act is \$52,500.00.
- Plaintiff Barrup proved by clear and convincing evidence that he is entitled to recover punitive damages against Defendants Carl Benson Tilley, Katherine Tilley, The Tilley Foundation, Inc., and CT Technology, Inc., on Plaintiff's claims for fraud and deceit based on intentional misrepresentation, conversion, and/or breach of fiduciary duty. As such, the jury awarded punitive damages in the amount of \$5,000,000.00 in favor of Plaintiff Barrup against said Defendants, jointly and severally.

THE COURT finds the award of punitive damages in favor of Plaintiff Barrup against Defendants in the amount of \$5,000,000.00, which is more than 95 times the amount of compensatory damages, is grossly excessive under the Due Process Clause of the Fourteenth Amendment, as there was no evidence presented which would suggest that the acts by Defendants in relation to Plaintiff Barrup were any more egregious than they were to Plaintiffs Littlefield and Molleur. As more fully set forth in the Order entered February 1, 2010 (Docket Entry No. 175), the Court reduces the punitive damages awarded to Plaintiff Barrup to \$262,500.00, which is five times the compensatory damages award and which is in keeping with the ratio of punitive to compensatory damages awarded by the jury to Plaintiffs Littlefield and Molleur.

IN ACCORDANCE WITH THE VERDICT OF THE JURY AND THE ORDER OF THE COURT ENTERED FEBRUARY 1, 2010, JUDGMENT IS HEREBY ENTERED AS FOLLOWS:

Judgment is hereby entered in favor of Plaintiff Doug Littlefield and against Defendants Carl Benson Tilley, Katherine Tilley, The Tilley Foundation, Inc., and CT Technologies, Inc., jointly and severally, in the amount of \$1,607,500.00 in compensatory damages, plus prejudgment interest at an annual compounded rate of 3% on that amount from February 14,

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2004, to the date of entry of this Judgment; and in the amount of \$10,000,000.00 in punitive damages.

Judgment is hereby entered in favor of Plaintiff Robert Molleur and against Defendants Carl Benson Tilley, Katherine Tilley, The Tilley Foundation, Inc., and CT Technologies, Inc., jointly and severally, in the amount of \$1,622,500.00 in compensatory damages, plus prejudgment interest at an annual compounded rate of 3% on that amount from February 14, 2004, to the date of entry of this Judgment; and in the amount of \$7,000,000.00 in punitive damages.

Judgment is hereby entered in favor of Plaintiff Rodney Barrup and against Defendants Carl Benson Tilley, Katherine Tilley, The Tilley Foundation, Inc., and CT Technologies, Inc., jointly and severally, in the amount of \$52,500.00 in compensatory damages, plus prejudgment interest at an annual compounded rate of 3% on that amount from September 28, 2005, to the date of entry of this judgment; and in the amount of \$262,500.00 in punitive damages.

January 29, 2010
DATE

KEITH THROCKMORTON, CLERK

BY: /S/ *KATHERYN BEASLEY*
DEPUTY CLERK